

## **More Concrete Than Paper; Bricks And Mortar Are a Long Term Investment**

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Niall Brady

Marina Moore has chosen UK commercial property as the best place to invest a gift that her daughter, Saoirse, aged six months, received from her grandparents.

The money is invested through Augusta, which has raised €4.5m from hundreds of small investors in Ireland to buy two properties in the UK worth £10m (€14.3m). Augusta is projected double-digit annual returns, so that somebody who invested €1,000 today could walk away with €2,500 before tax when the fund matures in 2012.

“We had a small sum to invest for Saoirse and, like a lot of people, we were interested in property,” says Marina, who lives in Clarinbridge, Co. Galway. “The fact that Augusta allowed you to invest as little as €1,000 opened up an area we couldn’t have invested in on our own. We didn’t have enough money for investment property.”

Marina never considered alternatives, such as the stock market. “With shares, you wouldn’t know much about the companies where your money is invested,” she says. “I know a little about property; we’ve bought property before and we know what’s involved with it. I don’t understand shares. We wanted something more concrete than paper; bricks and mortar make a better long-term investment.”

The fact that Augusta’s bricks and mortar are located in the UK was seen as an added attraction by Marina and her husband Kevin. “We’ve a couple of friends who had invested in Irish property in the mid-1990s and they have started moving to the UK because it looks like the UK offers better investment opportunities,” she says. “They ran out of options here, I suppose, so now they’re buying in places such as Leeds, Manchester and Birmingham. From listening to them, we thought it made sense.”

Marina has no problem with tying up the money for eight years. “It’s great that it’s locked up because it means we can’t get our hands on it,” she says laughing.

She believes commercial property is a safer bet than residential, having seen at first hand the headaches that an over supply of rental property can be for buy-to-let investors. “With commercial property the tenants are tied into long leases so it doesn’t react to the market in the same way as residential property,” she says. “In some parts of Galway city there’s a surplus of residential lettings and it looks like rents are dropping.”